

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF FOX CREEK RURAL)	
ELECTRIC COOPERATIVE CORPORATION,)	
INC. FOR AN ADJUSTMENT TO ITS RETAIL)	CASE NO. 94-382
ELECTRIC POWER TARIFFS)	

O R D E R

On February 28, 1996, the Commission issued an Order in this proceeding directing Fox Creek Rural Electric Cooperative Corporation, Inc. ("Fox Creek") to reduce its rates for retail electric service by \$726,253, effective with service rendered on and after March 1, 1996. The purpose of the rate reduction was to pass-through to retail customers the savings experienced by Fox Creek from lower wholesale electric rates charged by its wholesale power supplier, East Kentucky Power Cooperative, Inc.

On December 26, 1996, Fox Creek filed a letter and various rate calculations indicating that the rates appended to the February 28, 1996 Order actually produce a revenue decrease of \$770,406 rather than the decrease of \$726,253 approved in the Order. Fox Creek has now requested an explanation and the computations used to derive the decrease of \$726,263 using the rates appended to the Order. On January 23, 1997, the Attorney General filed a response to Fox Creek's letter indicating that he had no objection to the prospective correction of an error to reflect the original intent of the February 28, 1996 Order.

Having reviewed Fox Creek's letter and rate calculations, along with the rate calculations used to prepare the February 28, 1996 Order, the Commission finds that the rates appended thereto contain an error. The rate for Schedule R - Residential Service for consumption over 30 KWH per month was understated due to the transposition of two digits. The rate which was stated as \$0.05826 per KWH should have been \$0.05862 per KWH.

IT IS THEREFORE ORDERED that:

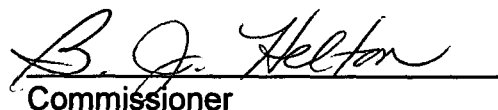
1. The Commission's February 28, 1996 Order is modified to the extent that the corrected rate for Schedule R - Residential Service for consumption over 30 KWH per month shall be \$0.05862 per KWH effective for service rendered on and after the date of this Order.
2. Within 20 days of the date of this Order, Fox Creek shall file with the Commission revised tariff sheets setting out the rates approved herein.
3. All other provisions of the Commission's February 28, 1996 Order shall remain in full force and effect.

Done at Frankfort, Kentucky this 6th day of February, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director